Section 811 Project-based Rental Assistance Program

START-UP GUIDE

+ WELCOME

Welcome to the Section 811 Project-based Rental Assistance (PRA) Program! This Start-Up Guide will help orient you to PRA, an innovative program whose goal is to help people with disabilities have an opportunity to live independently in the community. A great way to understand the program is to watch three short videos from grantees in Minnesota, Louisiana, and Maryland to learn how impactful your work will be.

PURPOSE AND STRUCTURE OF THIS ONLINE GUIDE

This 811 Project Rental Assistance (PRA) Program Online Start-Up Guide is a resource for new PRA program grantees as well as for staff who are new to an existing PRA program. The guide highlights important HUD requirements, and provides tools to help grantees comply with these requirements. The Start-Up Guide is not a comprehensive guide to all PRA requirements; instead, it is designed to be a reference guide, directing the user to the information and documents needed to successfully implement the PRA Program. As a new staff person or grantee, you will want to familiarize yourself with all of the program documents mentioned and linked in this Start-Up Guide.

HOW THIS GUIDE IS ORGANIZED

The first sections of the Start-Up Guide provide a broad overview of the PRA program including:

- PRA Program Overview | page 5
- PRA Program Documents | page 8
- PRA Program Technical Assistance Resources | page 12

Additionally, there are online training webinars and other resources on the HUD Exchange, providing more in-depth information on the following PRA topic areas:

UTILIZING HUD SECURE SYSTEMS | link

This video is designed to teach grantees to submit direct deposit forms (HUD 1199a), document the execution of new RACs, secure a HUD Secure Systems ID and password, and secure roles and rights as the contract administrator for parent and child contracts

PRA UNIT IDENTIFICATION AND CONTRACTING | link

This video outlines eligible properties, unit identification strategies, the steps for executing a RAC and Use Agreement, and meeting your target number of units.

PRA ENVIRONMENTAL REVIEW REQUIREMENTS | link

This video outlines the PRA environmental review requirements, provides clarification about when environmental review is needed and guidance about how to document project reviews, highlights important tenets of the requirements, and provides links to additional resources.

AFFIRMATIVE FAIR HOUSING | link

This video reviews HUD's affirmative marketing policies, discusses the ways that fair housing rules apply to PRA, outlines grantee responsibilities under fair housing, reviews OMB Form 92243-PRA, and lists additional resources.

FROM OUTREACH TO MOVE-IN OF ELIGIBLE TENANTS | link

This video covers Interagency Partnership Agreements (IPAs), outreach and referrals, affirmative fair housing marketing plans, tenant eligibility, waitlist management, making referrals to owners, and move-ins.

REASONABLE ACCOMMODATION PART 1 | link

This video outlines PRA Grantees' legal obligation to provide reasonable accommodation to PRA

applicants and tenants, describes what accommodations are considered reasonable and what verification is permitted, discusses common concerns, and provides examples of reasonable accommodations.

REASONABLE ACCOMMODATION PART 2 | link
This video reviews PRA Grantees' legal obligation to provide reasonable accommodation to PRA applicants and tenants and discusses tenant screening, assistance animals, live-in aides, lease violations, and eviction.

HELPING OWNERS MEET THEIR RESPONSIBILITIES | link
This training video discusses the PRA documents that owners need to execute, utilization of HUD systems, unit vacancies and tenant screening, orienting new tenants, occupancy, asset management, fair housing and civil rights, and the provision of tenancy supports.

SUPPORTING SUCCESSFUL TENANCIES | link
This video discusses best practices in permanent supportive housing, target populations, navigating the world of service providers, and various means of paying for services.

PRA PROGRAM REPORTING | link
This training video describes the programmatic and budget reporting requirements of the PRA program, and discusses the program's reporting tools.

ONGOING GRANTEE RESPONSIBILITIES | link
This video covers PRA fiscal management, monitoring, recordkeeping, reporting, day-to-day program management, services collaboration, and resident dispute processes.

811 PRA PROGRAM – OVERVIEW

WHAT IS PRA?

The 811 Project Rental Assistance (PRA) Program is a HUD-funded project-based rental assistance program authorized by the Frank Melville Supportive Housing Investment Act of 2010. The program expands the supply of integrated permanent supportive housing for low-income, non-elderly people with disabilities. PRA funds are awarded to state housing agencies, including state Housing Finance Agencies (HFAs), that successfully respond to HUD's Notice of Funding Availability (NOFA). To be eligible, housing agencies must have a written partnership agreement with their state's Medicaid and/or health and human services agency. PRA rental assistance is allocated to the state housing agency to distribute to property owners who set-aside units in affordable housing projects whose capital costs are funded through state, federal, and local funding sources. To ensure community integration of PRA units, no more than 25 percent of the total units in an eligible property may be supported by PRA funds or have any other occupancy preference for persons with disabilities.

PARTNERSHIP AND COLLABORATION

A distinguishing feature of the PRA program is HUD's requirement that each state housing agency partner with its state Medicaid and/or health and human services agency to assist with tenant outreach, referral, and the coordination of long-term services and supports in the community. Some states have long-standing partnerships between their state housing and services agencies that the PRA program builds upon. In other states, the PRA program provides an opportunity for states to develop these partnerships for the first time. The partnership between each state's housing agency and its Medicaid/health and human services agency is formalized in a document called the **Interagency Partnership Agreement (IPA)**. This document is a statutory requirement of the PRA program, and it outlines each agency's responsibilities under PRA. More information about the required features of an IPA can be found in the PRA NOFA ([2012 NOFA](#), [2013 NOFA](#), [2019 NOFA](#)). Examples of actual executed IPAs are available on the [TAC Share Site](#).

PRA ELIGIBILITY

ELIGIBLE GRANTEES: Eligible state applicants include State Housing Finance Agencies (HFAs) or other appropriate housing entities as defined in the applicable Notice of Funding Availability (NOFA). To be eligible, housing agencies must have a written partnership agreement with one or more state-level Medicaid and/or health and human services agency to ensure that PRA tenants will have access to long-term services and supports in the community.

ELIGIBLE COSTS: PRA funds must be used to fund project-based rental assistance and allowable administrative costs relating to the administration of the PRA Program, and cannot be used to fund any development costs. More information on administrative costs can be found in PRA.206 of the [Program Guidelines](#) section of the Cooperative Agreement.

ELIGIBLE PROPERTIES: 811 PRA properties must have at least five housing units and units to be contracted must not receive any other form of long-term rental assistance for a period of at least 6 months prior to the 811 contract. Units with use agreements restricting their use to persons 62 or older are also ineligible. To ensure community integration of PRA units, no more than 25 percent of the total units in an eligible

property may be supported by PRA funds or have any other occupancy preference for persons with disabilities.

ELIGIBLE TENANTS: All PRA participants must be at least 18 years of age and under the age of 62 at time of move-in, have a disability as defined under 42 U.S.C. 8013 (k)(2) and 24 CFR 891.305, and be Extremely Low-Income (at or below 30 percent of area median family income as determined by HUD). Additionally, PRA tenants must be members of the grantee's target population as outlined in the applicable cooperative agreement, and eligible for community-based, long-term care services as described in the Interagency Partnership Agreement.

For more information on Eligibility, please see the PRA Program Eligibility Requirements page on the HUD Exchange and the Definitions in Exhibit 1 of the Cooperative Agreement.

BASIC ROLES AND RESPONSIBILITIES

GRANTEES: The State Housing Agency, or "Grantee," is responsible for the overall implementation of the PRA program. Although some grantees choose to share key program responsibilities with their partnering health and human services agencies or contract administrating agencies, the contractual relationship for the program is between HUD and the grantee, and HUD holds the grantee fully responsible for compliant implementation of the program. Grantee responsibilities under the program are detailed in Part B of Exhibit 5 of the Cooperative Agreement. In addition to ensuring compliance with all program requirements outlined in the Cooperative Agreement, a typical grantee's responsibilities may include, but are not limited to the following:

- Participation in planning meetings with service partner agencies
- Identification of units in eligible multifamily properties
- Environmental Review as outlined in PRA.215 of Exhibit 5
- Execution of Rental Assistance Contracts (RACs) and Use Agreements with owners
- Management of total RAC commitment and projection of grant expenditures
- Transmission of data through HUD's Tenant Rental Assistance Certification System (TRACS)
- Asset Management and Uniform Physical Condition Standards (UPCS) unit inspections
- Fair Housing and Nondiscrimination Compliance
- Compliance with the Violence Against Women Act (VAWA)
- Recordkeeping and compliance reporting as outlined in Section XXII of the Cooperative Agreement.

Many of these topics are covered in more detail in the training videos referenced in Section 2 of this guide.

SERVICE PARTNERS: While the grantee entity is responsible for the overall implementation of the PRA program, the state service agencies (typically the state health and human services and/or Medicaid agency) play a significant role in the PRA program as well. The requirements of the state service agency may be different in each state, and are detailed specifically in the PRA Interagency Partnership Agreement (IPA). However, most service agencies will have the following responsibilities in every state:

- Participating in planning meetings with the grantee
- Funding and/or coordinating the services made available to PRA tenants
- Conducting outreach to program tenants in accordance with any applicable affirmative marketing plan
- Collecting applicant documentation
- Determining eligibility for services
- Training and supervising local service agency partners
- Making referrals to property management
- Assisting with requests for reasonable accommodation

- Providing move-in assistance
- Providing ongoing tenancy supports to PRA participants.

OWNERS: Part D of Exhibit 5 of the Cooperative Agreement and Part II of the PRA Rental Assistance Contract (RAC) outline the owner's responsibilities in the PRA program. These responsibilities include performing all management and rental functions for contracted units, enforcing tenant obligations under the lease, paying for utilities not paid for by the household under the lease, and collecting rent. Additionally, owners in the PRA program are responsible for:
- Executing all required PRA documents, including the Rental Assistance Contract, Use Agreement, and Model Lease
- Making vacant units available to PRA tenants in accordance with the grantee's tenant selection plan
- Utilization of HUD Systems, including Tenant Rental Assistance Certification System (TRACS), Integrated Multifamily Access eXchange (iMax), and Enterprise Income Verification (EIV). Owners and/or grantees may hire a service bureau to do part or all of the HUD systems work
- Repair and maintenance of the PRA units and associated properties.

TENANTS: Tenant responsibilities under the PRA program, including the timely payment of rent, are outlined in the PRA Model Lease.

PRA PROGRAM DOCUMENTS

HUD has not issued program regulations for the PRA program, but there are a number of key public documents that outline the PRA program requirements. Grantees should be familiar with all the key program documents listed below.

STATUTE

The U.S. Department of Housing and Urban Development (HUD) administers the PRA program, but it was authorized by congress, through the Frank Melville Supportive Housing Investment Act of 2010, which was signed into law on January 4, 2011. The Melville Act provides a strong statutory foundation for community integration, tenancy rights, and voluntary services and supports.

HANDBOOK

Generally, HUD Handbook 4350.3 Occupancy Requirements of Subsidized Multifamily Housing Programs applies to the PRA program. This handbook describes the occupancy requirements and procedures governing the HUD-subsidized multifamily housing programs, including PRA. It also addresses the procedures by which households apply for housing and the rights and responsibilities of in-place tenants and property owners.

NOTICES

Active Notices that apply to the PRA program are identified on the HUD Exchange PRA page.

COOPERATIVE AGREEMENT

Each state's cooperative agreement and accompanying documents form the core of its PRA program documents. The Cooperative Agreement, executed between HUD and the grantee, outlines the majority of PRA program requirements, and enables each grantee to proceed with the program and secure payment from HUD. For more information on the PRA Cooperative Agreement, please see the HUD Exchange page on the PRA Program Cooperative Agreement here and view a training video on PRA Program Documents here. The sections of the Cooperative Agreement are as follows:

EXHIBIT 1: Definitions
The definitions section consists of a glossary of terms utilized in the PRA program.

EXHIBIT 2: FY12 PRA Demo NOFA; FY 13/14 PRA NOFA; FY 19 PRA NOFA
This section is the Notice of Funding Availability (NOFA) for the specific year of 811 Project Rental Assistance (PRA) program funds that the grant was awarded under. Some states may be awarded funds under multiple NOFAs, and some states may be awarded PRA funds under just one. Program requirements differ with each NOFA, so it is important to reference the correct document for each program. For questions about NOFA applicability, please contact your TAC TA lead.

EXHIBIT 3: INTERAGENCY PARTNERSHIP AGREEMENT
The IPA is the formal structure for collaboration, signed by the State Housing Agency and the State Human Services/Medicaid Agency, for participation in the PRA Program. The IPA includes descriptions

of the target population(s) to be served, methods for outreach and referral, and a commitment to make appropriate services available for PRA participants.

EXHIBIT 4: Grantee Program Description
This exhibit outlines the total grant amount and the distribution between rental assistance and administrative costs, the total number of assisted units, grantee and service partner contact information, leveraging information, and the target population. Changes in the Grantee Program Description must be reported in writing to HUD. Changes to sections III and IV of the Grantee Program Description (leveraging and number of housing vouchers in the application) require HUD approval.

EXHIBIT 5: Program Guidelines
This exhibit details PRA program guidelines, including a summary of the program, grantee requirements, Rental Assistance Contract terms, and owner requirements. This section also covers Davis Bacon labor standards and PRA Environmental requirements.

EXHIBIT 6: Budget/Schedule
This exhibit contains the grantee's five-year program budget and proposed schedule for PRA implementation, including rental assistance and administrative costs.

EXHIBIT 7: Agreement to Enter into Rental Assistance Contract, Form HUD-92240-PRA
The Agreement to Enter into Rental Assistance Contract (ARAC) is a contract between the grantee and owner, stating that the parties will enter into an 811 Project Rental Assistance Contract (RAC) upon the acceptable completion of a particular affordable housing project. The ARAC is generally used for projects in construction or those undergoing substantial rehabilitation. This form is optional and not required under the program; grantees may use their own documents or agreements in place of the ARAC form.

EXHIBIT 8: Rental Assistance Contract Part I, Form HUD-92235-PRA
The Rental Assistance Contract (RAC) is a 20-year agreement between the grantee and owner describing the rights and duties of each with respect to PRA assisted units. In general, the grantee should begin to execute a RAC (Parts I and II) 60 to 90 days in advance of a unit becoming available to allow time for the owner to review and execute the documents, and for HUD to get the property set up in HUD systems. Part I of the RAC includes the specific number of PRA units the owner will commit to the program, the maximum amount of PRA rent the grantee will pay for those units, and the owner information to be entered into iREMS, HUD's centralized Multifamily database.

EXHIBIT 9: Rental Assistance Contract Part II, Form HUD- 92237-PRA
The Rental Assistance Contract (RAC) is a 20-year agreement between the grantee and owner describing the rights and duties of each with respect to PRA assisted units. In general, the grantee should begin to execute a RAC (Parts I and II) 60 to 90 days in advance of a unit becoming available to allow time for the owner to review and execute the documents, and for HUD to get the property set up in HUD systems. Part II of the RAC outlines owner responsibilities, information about security deposits, how rental assistance payments will be made, utility allowances, vacancy payments, rent adjustments, and termination of tenancy.

EXHIBIT 10: Section PRA Use Agreement, Form HUD-92238-PRA
The Use Agreement is a commitment signed by the grantee and owner, stating that the owner agrees to operate PRA units for a term of no less than 30 years. Grantees may elect to release owners from

this obligation if federal PRA funds become unavailable. The Use Agreement must be recorded in the appropriate land records.

EXHIBIT 11: Section PRA Model Lease, Form HUD-92236-PRA
The PRA Model Lease is the standard lease to be used between all PRA Owners and Tenants. State specific addenda to the lease may be approved by HUD, typically when precipitated by conflicts in state and federal law.

EXHIBIT 12: Grantee Addendums
Grantees may add state specific addenda to the Cooperative Agreement in this section, after receiving approval from HUD.

SOME COOPERATIVE AGREEMENT EXHIBITS ARE STANDARD HUD DOCUMENTS, AND OTHERS ARE STATE/GRANTEE SPECIFIC

Exhibit Number	Document Name and Purpose	HUD or State Specific
One	Definitions – These definitions apply to all of the Cooperative Agreement documents.	HUD Document
Two	NOFA – The Notice of Funding Availability under which the grantee was awarded PRA funds.	HUD Document
Three	Interagency Partnership Agreement (IAP) – Signed Agreement between State Housing, Medicaid, and human services agencies.	State specific
Four	Grantee Program Description – Summary description of grantee program including the grant amount, grantee contact information, Medicaid lead agency, any leverage commitments, and the target population.	State specific
Five	Program Guidelines – These guidelines serve as regulations for the program.	HUD document
Six	Budget/Schedule – The grantee's five-year budget and schedule for bringing on the targeted number of PRA units.	State specific
Seven	Agreement to Enter Into Rental Assistance Contract (ARAC) – Although this is a HUD document, grantees are NOT required to use this in their programs.	HUD document and/or State specific
Eight	Rental Assistance Contract (RAC), Part I – The RAC is a contract executed between the grantee and the property owner. Part I included owner information.	HUD document
Nine	Rental Assistance Contract (RAC), Part II – RAC Part II outlines the responsibilities of the grantee and the owner in the program.	HUD document
Ten	Use Agreement – The Use Agreement obligates the property to participate in the PRA program for 30 years. The signed Use Agreement must be recorded and attached to the RAC.	HUD document
Eleven	Model Lease – This lease must be used between all owners and PRA tenants.	HUD document
Twelve	Grantee Addendums – Any special state specific documents approved by HUD.	State specific

PRA TENANT SELECTION PLAN

HUD requires all PRA Grantees to develop a PRA Tenant Selection Plan (PRA TSP). The TAC Share Site provides a sample outline of a TSP as well as grantee examples. The grantee TSP should discuss

how a person with a disability can apply to the program, how a waiting list will be maintained, and the process for referrals to a property. The program must have a written description of a nondiscriminatory system for referring eligible applicants to owners.

AFFIRMATIVE FAIR HOUSING

All PRA Grantees must affirmatively further fair housing in compliance with Federal Law and the requirements of the NOFA(s) under which their program is funded. All methods of outreach, referral and management of the waiting list must be consistent with fair housing and civil rights laws and regulations, and Grantees must maintain records describing actions taken to affirmatively further fair housing. Please reach out to your TAC TA Lead if you have additional questions about affirmatively furthering fair housing.

DISCRETIONARY PROGRAM POLICIES

HUD provides grantees with program flexibility by allowing state specific policies and procedures on topics for which grantees have discretion, including whether or not to routinely allow for roommates, and whether or not to provide vacancy payments. Grantees are urged to put these state specific policies into writing to ensure all partners are aware of them, and that they are applied evenly across the grantee's program.

PRA TECHNICAL ASSISTANCE RESOURCES

HUD provides many comprehensive resources available to support PRA Grantees, health and human service partners, and owners in implementation of the PRA program. Many of these can be found on the HUD Exchange.

The HUD Exchange is an online platform that provides program information, guidance, services, and tools to HUD's various community partners. Hosted on the HUD Exchange is an entire PRA Webpage devoted specifically to the Section 811 Project Rental Assistance Program. Resources on this page include:

- A series of thirteen training webinars on PRA. You can watch the webinars in their entirety,   or download and print out the slides for reference. The webinar series includes the following topic areas:
    - » PRA Program Overview Webinar
    - » Program Documents Webinar
    - » Unit Identification Webinar
    - » HUD Secure Systems Webinar
    - » From Outreach to Move-In Webinar
    - » Helping Owners Meet their Responsibilities Webinar
    - » Supporting Successful Tenancies Webinar
    - » Reasonable Accommodation Webinar Part 1 and Part 2
    - » Ongoing Grantee Responsibilities Webinar
    - » Environmental Review Webinar
    - » Affirmative Fair Housing Webinar
    - » Reporting Webinar

- Links to all official HUD program documents including the Cooperative Agreement, the Rental Assistance Contacts (RAC), PRA Use Agreement, and PRA Tenant Model Lease. Links to the documents can be found in Section 4 of this Start-Up Guide.
- Comprehensive information about HUD Secure Systems including the HUD Secure Systems Webinar, and step-by-step instructions for PRA Grantees about setting up:
    - » iREMS: iREMS is HUD's centralized database used to track the Multifamily portfolio of insured and assisted properties. The iREMS system is available only to Performance Based Contract Administrators (PBCA) and Traditional Contract Administrators (TCA), and typically will be utilized by the PRA Grantee.
    - » iMAX: iMAX is a web-based communication system that allows Contract Administrators, Owners, Management Agents, and Service Bureaus to transmit tenant data and voucher data files to HUD where they are logged, processed, and then submitted to TRACS for payment processing.
    - » TRACS: The Tenant Rental Assistance Certification System (TRACS) is the system used to process subsidy contracts, tenant rental assistance information, and owner requests for payment (vouchers). TRACS accepts vouchers and authorizes payment for subsidy programs.
    - » EIV: The EIV system is a web-based application that provides owners with employment, wage, unemployment compensation, and Social Security benefit information for tenants participating in HUD's assisted housing programs. Information in the EIV system is used by

owners to verify employment and income at the time of recertification, and to reduce errors in subsidy payments.

  » eLOCCS: The Line of Credit Control System (LOCCS) is HUD's primary grant disbursement system, handling disbursements for most HUD programs. Grant disbursements from HUD to the grantee are facilitated via the internet through the e LOCCS system.

- Written guidance on submitting a Rental Assistance Contract (RAC). Grantees are required to submit executed RACs to PRAContracts@hud.gov. Once the RAC has been executed, grantees should email RAC Part I, Exhibits 1, 2, & 4, and RAC Part II, Exhibits 1, 2 & 3, as well as the Rent Schedule (Form 92458) and the completed RAC checklist to PRAContracts@hud.gov.

- A collection of guidance and tools designed to assist Grantees draw down administrative funds, approve owner vouchers for payment, and develop monthly program vouchers for rental assistance payments from HUD.

  » PRA Payment Procedure for Admin Funds
  » Form to Request an ARAC/RAC Contract Number
  » RAC Submission Checklist
  » Instructions for Submitting a First RAC
  » RAC Paper Voucher Template
  » Sample Completed RAC
  » PRA Rent Adjustment Process
  » Sample Rent Adjustment

- The Financial Management Handbook and Tool Kit for grantees and subrecipients of HUD's Multifamily grant programs, including PRA. The toolkit is designed to help grantees safeguard grant funds and ensure that all funds are used for the purposes for which they were awarded. It provides guidance on compliance and responsibility, as well as references to the underlying rules, regulations, and legislation that affect the financial and administrative management of Multifamily Housing grant awards.

- A collection of PRA Frequently Asked Questions (FAQs) and their answers. Questions can be searched by topic or keyword.

- A list of all the PRA Grantees nationally, and their contact information.

Additionally, the Technical Assistance Collaborative (TAC) is an excellent resource on the PRA program. HUD has contracted with TAC to provide in-depth technical assistance to PRA Grantees. Each grantee is assigned a TAC TA Lead who provides one-on-one assistance specific to the state's needs. And TAC hosts a PRA Share Site that all PRA Grantees have access to, so that they can share documents with one another. Examples of documents on the site include Tenant Selection Plans, Affirmative Marketing Plans, and Property Requests for Proposals.

Please note: The documents posted to the TAC PRA Share Site are not official program documents. They are sample documents, submitted by other grantees, that states may reference when developing their own program documentation. Questions regarding TAC technical assistance can be directed to Ellen Fitzpatrick at EFitzpatrick@tacinc.org.

QUARTERLY CALLS, WEBINARS/TRAININGS AND IN-PERSON MEETINGS

HUD staff holds **quarterly peer-to-peer calls** with grantees and **annual in-person meetings** of grantees and their Health and human service partners. To receive notification of these calls, contact Ellen Fitzpatrick at EFitzpatrick@tacinc.org.

The PRA program is managed out of HUD Headquarters (HQ). The PRA Program Headquarters contact is:

Katina Washington, Program Analyst

Phone: (202) 402-2651
Katina.X.Washington@hud.gov

WHAT TO DO FIRST?

Getting to know a new program can be overwhelming. It can be hard to know where to begin. If you are the PRA Coordinator, you might want to email or call HUD and your TA Lead to introduce yourself. Not sure who is your TA Lead? Contact Ellen Fitzpatrick at EFitzpatrick@tacinc.org. Another great place to get started is to watch the introductory training videos on the HUD Exchange and to read through your state's specific Cooperative Agreement including all of the Exhibits. The Cooperative Agreement is important because it outlines the specifics of your program such as target population, budget, and number of PRA units.